Prices of non-Scheduled formulations are fixed by the manufacturers themselves keeping in view various factors like cost of production, marketing/selling expenses, R&D expenses, trade commission, market competition, product innovation, product quality etc. Prices of these drugs are regularly monitored and corrective measures taken where public interest is found to be adversely affected. As regards the percentage increase/decrease registered in the prices of non-Scheduled formulations during the last three years it may be stated that information is too voluminous to furnish with the reply.

Shortage of fertilizers in Kerala

1289.SHRI A. VIJAYARAGHAVAN : Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that there is a shortage of Phosphatic fertilizers in Kerala for the past many months;

(b) if so, the action taken and the details of firms supplying Phosphatic fertilizers in Kerala including the requirement and quantity supplied for the last one year, month-wise, firm-wise and category-wise;

(c) whether short supply of Di-ammonium phosphate (DAP) for the last season had been reported to the Competent Authority; and

(d) if so, the details of the firm supplying DAP in Kerala including the requirement and the quantity supplied for the last one year, month-wise, firm-wise and category-wise?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) Urea is the only fertilizer which is under partial movement and distribution control of the Government. Union Government ensures availability of urea at State level. State Governments are responsible for its distribution within the State. All other fertilizers *viz*. DAP, MOP, SSP and NPK etc. are decontrolled/ de-canalized since 1992. The availability of Phosphatic and Potassic fertilizers is decided by the market forces of demand and supply.

The table below gives the details of demand and supply of phosphatic fertilizers in the State of Kerala as well as all India level during the year 2008-09 (upto November, 2008)

('000 MT)

State	DAP			NPK		
	Requirement	Availability	Sales	Requirement	Availability	Sales
Kerala	25.30	19.34	19.29	136.06	129.66	127.89
All India	7581.84	8265.83	8260.34	7043.85	5355.48	5314.40

The low availability of phosphatic fertilizers in Kerala is attributable to non-issuance of Fertilizer Registration Certificate (FRC) by Government of Kerala to M/s Coromandal Fertilizers Ltd. and M/s Zuari Industries Limited who were advised to supply 4500 MT and 3000 MT of DAP to Kerala. Monthwise requirement, availability and sale of DAP & NPK fertilizers during Kharif, 2008 for Kerala State is given in the Statement-I (*See* below).

(b) to (d) The details of firms supplying phosphatic fertilizers in Kerala alongwith monthwise supplies during the year 2008-09 (from April, 2008 to November, 2008) is given in the Statement-II (*See* below).

However, there is little tightness in availability of complex fertilizers because of limited indigenous production of these fertilizers and also as these can not be imported. As can be seen, the total All India availability of NPK fertilizers in the country is to the extent of 75% of the requirement. However, in case of Kerala, the availability is almost to the tune of 95% of the requirement.

Statement-I

Monthwise requirement, availability and sale of DAP of NPK fertilizers in Kerala during 2008-09

2008-09 ('000 tonnes)

State	Month	Requirement	Availability	Sales
DAP	April	2.37	0.20	0.07
	May	2.77	2.63	2.12
	June	4.28	0.91	0.90
	July	3.73	5.16	5.15
	August	3.87	2.01	2.01
	September	2.98	2.50	2.07
	October	3.00	6.04	6.04
	November	2.30	0.98	0.94
TOTAL		25.30	19.33	19.30
NPK	April	6.67	18.86	13.95
	May	11.84	21.58	19.78
	June	24.13	7.43	6.54
	July	22.99	22.75	22.37
	August	16.48	14.59	12.75
	September	15.89	14.48	13.53
	October	17.45	23.84	21.61
	November	20.61	20.14	17.35
TOTAL		136.06	129.78	127.88

Statement-II

Details of firms supplying fertilizers in Kerala alongwith the monthwise supplies during 2008

(Figures in MTs)

Company Wise Receipts of DAP and NPK in Kerala during April 2008 to November 2008

Month	Product	Company	Net Receipts
1	2	3	4
Apr., 08	DAP	MCFL	195.70
	NPK	FACT	10879.00
	NPK	IFFCO	2519.80
	NPK	RCF	0.00

1	2	3	4
	DAP	CFL	0.00
	DAP	MCFL	2497.00
May-08	NPK	FACT	14162.50
	NPK	IFFCO	2517.00
	NPK	RCF	0.00
	DAP	CFL	0.00
	DAP	MCFL	399.85
Jun-08	DAP	SPIC	0.00
	NPK	FACT	5625.00
	NPK	IFFCO	0.00
	DAP	CFL	2577.35
	DAP	IPL	2576.80
Jul-08	DAP	MCFL	0.00
	NPK	CFL	0.00
	NPK	FACT	21017.20
	NPK	IFFCO	840.00
	DAP	CFL	0.00
	DAP	IFFCO	0.00
	DAP	IPL	2011.60
Aug-08	DAP	MCFL	-8.05
	NPK	FACT	8403.50
	NPK	IFFCO	5563.45
	NPK	MCFL	249.45
	DAP	CFL	-5.50
	DAP	IPL	1506.30
Sep-08	DAP	MCFL	1000.00
	NPK	FACT	9701.40
	NPK	IFFCO	2644.45
	NPK	MCFL	290.00
	DAP	CFL	2549.15
	DAP	IPL	2559.75
Oct-08	DAP	MCFL	493.70
	NPK	FACT	18068.30
	NPK	IFFCO	2670.00

1	2	3	4
	NPK	MCFL	240.85
	DAP	MCFL	979.35
	DAP	ZIL	0.00
	Nov-08	NPK	FACT
	15043.60		
	NPK	IFFCO	2574.05
	NPK	MCFL	294.10

Fortified and coated fertilizer

1290. SHRI JESUDASU SEELAM: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether in view of rising fertilizers subsidy bill, Government has decided to put entire burden of additional secondary and micro-nutrients required to help to counter imbalanced fertilizers use in country on farmers;

(b) if so, whether Cabinet Committee on Economic Affairs which met under Chairmanship of PM approved a policy for encouraging production and availability of fortified and coated fertilizers;

(c) if so, whether under the policy, manufacturer will be allowed to sell fertilizers coated or fortified with secondary or micro-nutrients up to a maximum of 5 per cent above notified maximum retail price for all fertilizers under fertilizer control order; and

(d) to what extent it will be helpful to both the farmer and to the country?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) to (d) The Cabinet Committee on Economic Affairs has approved a new policy for fortified/coated fertilizers with the objective to promote its production and application within the country. The application of secondary and micro-nutrients along with the primary nutrients is expected to promote balanced fertilization and lead to increased agricultural productivity. Under the new policy, the manufacturer is allowed to charge upto 5% more than the MRP in case of fortified/coated subsidized fertilizers except for Zincated Urea and Boronated SSP, for which the manufacturer is allowed a ceiling of 10% above MRP of Urea and SSP respectively.

The farmer is free to make its own rational decision based on crop and soil requirement as to whether the fortification/coating with secondary and micro-nutrients at an additional cost is going to provide an additional productivity leading to larger gain to the farmer. Moreover, the price band above MRP is also expected to breed competition amongst manufacturers to provide better fertilizer products to the farmers.

Direct subsidy to farmers

1291. SHRI T.T.V. DHINAKARAN: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is proposed to provide direct fertilizers subsidy to farmers;

(b) if so, the details thereof;